

1 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
2 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
3 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, ~~excluding section 844~~
4 ~~of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245,
5 and section 15316 of P.L. 110-246, section 301 of division B and section 313 of division
6 C of P.L. 110-343, P.L. 110-458, sections 1401, 1402, 1521, 1522, and 1531 of division
7 B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L.
8 111-240, “net income” means the federal regulated investment company taxable
9 income, federal real estate mortgage investment conduit taxable income, federal real
10 estate investment trust or financial asset securitization investment trust taxable
11 income of the corporation, conduit, or trust as determined under the Internal
12 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
13 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
14 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
15 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
16 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
17 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
18 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
19 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
20 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
21 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
22 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
23 503, and 513 of P.L. 109-222, ~~section 844 of P.L. 109-280~~, P.L. 109-432, P.L. 110-28,
24 P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185,
25 P.L. 110-234, sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246, except section

1 15316 of P.L. 110-246, P.L. 110-289, P.L. 110-317, P.L. 110-343, except section 301
2 of division B and section 313 of division C of P.L. 110-343, and P.L. 110-351, and as
3 amended by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5,
4 section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, and
5 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,
6 P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239,
7 P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and 110 of P.L. 102-227, P.L.
8 102-318, P.L. 102-486, P.L. 103-66, excluding sections 13113, 13150 (d), 13171 (d),
9 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L.
10 104-7, P.L. 104-188, excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605
11 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L.
12 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L.
13 106-554, excluding sections 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16,
14 excluding section 431 of P.L. 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L.
15 107-147, excluding sections 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L.
16 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27, excluding sections 106, 201, and
17 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173, excluding section 1201 of P.L.
18 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311, excluding sections 306, 308, 316,
19 401, and 403 (a) of P.L. 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211,
20 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476,
21 P.L. 109-7, P.L. 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325,
22 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146
23 of P.L. 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135,
24 excluding sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
25 (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections

1 101, 207, 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, ~~excluding~~
2 ~~section 844 of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L.
3 110-245, and section 15316 of P.L. 110-246, section 301 of division B and section 313
4 of division C of P.L. 110-343, P.L. 110-458, sections 1401, 1402, 1521, 1522, and 1531
5 of division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and
6 2113 of P.L. 111-240, except that property that, under s. 71.02 (1) (c) 8. to 11., 1985
7 stats., is required to be depreciated for taxable years 1983 to 1986 under the Internal
8 Revenue Code as amended to December 31, 1980, shall continue to be depreciated
9 under the Internal Revenue Code as amended to December 31, 1980, and except that
10 the appropriate amount shall be added or subtracted to reflect differences between
11 the depreciation or adjusted basis for federal income tax purposes and the
12 depreciation or adjusted basis under this chapter of any property disposed of during
13 the taxable year. The Internal Revenue Code as amended to December 31, 2008,
14 excluding sections 103, 104, and 110 of P.L. 102-227, sections 13113, 13150 (d), 13171
15 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and
16 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165
17 of P.L. 106-554, P.L. 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of
18 P.L. 107-147, sections 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173,
19 sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211,
20 242, 244, 336, 337, 422, 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305,
21 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58,
22 section 11146 of P.L. 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as
23 it relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135,
24 sections 101, 207, 209, 503, and 513 of P.L. 109-222, ~~section 844 of P.L. 109-280~~, P.L.
25 109-432, P.L. 110-28, P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L.

SECTION 1925

1 110-172, P.L. 110-185, P.L. 110-234, sections 110, 113, and 301 of P.L. 110-245, P.L.
2 110-246, except section 15316 of P.L. 110-246, P.L. 110-289, P.L. 110-317, P.L.
3 110-343, except section 301 of division B and section 313 of division C of P.L. 110-343,
4 and P.L. 110-351, and as amended by sections 1401, 1402, 1521, 1522, and 1531 of
5 division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113
6 of P.L. 111-240, and as indirectly affected in the provisions applicable to this
7 subchapter by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140,
8 P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104,
9 and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
10 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
11 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
12 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
13 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
14 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,
15 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.
16 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
17 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
18 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
19 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
20 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
21 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
22 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
23 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
24 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
25 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it

relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, ~~excluding section 844 of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, and section 15316 of P.L. 110-246, section 301 of division B and section 313 of division C of P.L. 110-343, P.L. 110-458, sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, applies for Wisconsin purposes at the same time as for federal purposes. Amendments to the Internal Revenue Code enacted after December 31, 2008, do not apply to this subdivision with respect to taxable years that begin after December 31, 2008, except that changes to the Internal Revenue Code made by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, and changes that indirectly affect the provisions applicable to this subchapter made by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, apply for Wisconsin purposes at the same time as for federal purposes.

***-1465/P4.505* *-1059/P3.257* SECTION 1926.** 71.28 (1dd) (b) of the statutes is amended to read:

71.28 (1dd) (b) Except as provided in s. 73.03 (35), for any taxable year for which that person is certified under s. 560.765 (3), 2009 stats., and begins business operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s. 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified or entitled a person may credit

1 against taxes otherwise due under this subchapter employment-related day care
2 expenses, up to \$1,200 for each qualifying individual.

3 ***-1465/P4.506* *-1059/P3.258* SECTION 1927.** 71.28 (1dd) (e) of the statutes
4 is amended to read:

5 71.28 (1dd) (e) The credit under this subsection, as it applies to a person
6 certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts
7 economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to
8 tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795
9 (2), 2009 stats. A credit under this subsection may be credited using expenses
10 incurred by a claimant on July 29, 1995.

11 ***-1465/P4.507* *-1059/P3.259* SECTION 1928.** 71.28 (1de) (a) (intro.) of the
12 statutes is amended to read:

13 71.28 (1de) (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year
14 for which a person is certified under s. 560.765 (3), 2009 stats., and begins business
15 operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, entitled under
16 s. 560.795 (3) (a), 2009 stats., and begins business operations in a zone under s.
17 560.795, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009
18 stats., for each zone for which the person is certified or entitled the person may claim
19 as a credit against taxes otherwise due under this subchapter an amount equal to
20 7.5% of the amount that the person expends to remove or contain environmental
21 pollution, as defined in s. 299.01 (4), in the zone or to restore soil or groundwater that
22 is affected by environmental pollution, as defined in s. 299.01 (4), in the zone if the
23 person fulfills all of the following requirements:

24 ***-1465/P4.508* *-1059/P3.260* SECTION 1929.** 71.28 (1de) (a) 1. of the
25 statutes is amended to read:

71.28 (1de) (a) 1. Begins the work, other than planning and investigating, for which the credit is claimed after the area that includes the site where the work is done is designated a development zone under s. 560.71, 2009 stats., a development opportunity zone under s. 560.795, 2009 stats., or an enterprise development zone under s. 560.797, 2009 stats., and after the claimant is certified under s. 560.765 (3), 2009 stats., entitled under s. 560.795 (3) (a), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

***-1465/P4.509* *-1059/P3.261* SECTION 1930.** 71.28 (1de) (d) of the statutes is amended to read:

71.28 (1de) (d) The credit under this subsection, as it applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats. A credit under this subsection may be credited using expenses incurred by a claimant on July 29, 1995.

***-1465/P4.510* *-1059/P3.262* SECTION 1931.** 71.28 (1di) (a) (intro.) of the statutes is amended to read:

71.28 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35), for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits, any person may claim as a credit against taxes otherwise due under this chapter 2.5% of the purchase price of depreciable, tangible personal property, or 1.75% of the purchase price of depreciable, tangible personal property that is expensed under section 179 of the internal revenue code for purposes of the taxes under this chapter, except that:

SECTION 1932

1 ***-1465/P4.511* *-1059/P3.263* SECTION 1932.** 71.28 (1di) (a) 1. of the
2 statutes is amended to read:

3 71.28 (1di) (a) 1. The investment must be in property that is purchased after
4 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
5 is used for at least 50% of its use in the conduct of the person's business operations
6 at a location in a development zone under subch. VI of ch. 560, 2009 stats., or, if the
7 property is mobile, the base of operations of the property for at least 50% of its use
8 must be a location in a development zone.

9 ***-1465/P4.512* *-1059/P3.264* SECTION 1933.** 71.28 (1di) (b) 2. of the
10 statutes is amended to read:

11 71.28 (1di) (b) 2. If the claimant is located on an Indian reservation, as defined
12 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
13 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
14 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
15 under this subsection exceeds the taxes otherwise due under this chapter on or
16 measured by the claimant's income, the amount of the credit not used as an offset
17 against those taxes shall be certified to the department of administration for
18 payment to the claimant by check, share draft or other draft.

19 ***-1465/P4.513* *-1059/P3.265* SECTION 1934.** 71.28 (1di) (b) 3. of the
20 statutes is amended to read:

21 71.28 (1di) (b) 3. Partnerships, limited liability companies and tax-option
22 corporations may not claim the credit under this subsection, but the eligibility for,
23 and amount of, that credit shall be determined on the basis of their economic activity,
24 not that of their shareholders, partners or members. The corporation, partnership
25 or limited liability company shall compute the amount of the credit that may be

1 claimed by each of its shareholders, partners or members and shall provide that
2 information to each of its shareholders, partners or members. Partners, members
3 of limited liability companies and shareholders of tax-option corporations may claim
4 the credit based on the partnership's, company's or corporation's activities in
5 proportion to their ownership interest and may offset it against the tax attributable
6 to their income from the partnership's, company's or corporation's business
7 operations in the development zone; except that partners, members, and
8 shareholders in a development zone under s. 560.795 (1) (e), 2009 stats., may offset
9 the credit against the amount of the tax attributable to their income from all of the
10 partnership's, company's, or corporation's business operations; and against the tax
11 attributable to their income from the partnership's, company's or corporation's
12 directly related business operations.

13 ***-1465/P4.514* *-1059/P3.266* SECTION 1935.** 71.28 (1di) (d) 1. of the
14 statutes is amended to read:

15 71.28 (1di) (d) 1. A copy of a verification from the department of commerce that
16 the claimant may claim tax benefits under s. 560.795 (3), 2009 stats.

17 ***-1465/P4.515* *-1059/P3.267* SECTION 1936.** 71.28 (1di) (f) of the statutes
18 is amended to read:

19 71.28 (1di) (f) If a person who is entitled under s. 560.795 (3), 2009 stats., to
20 claim tax benefits becomes ineligible for such tax benefits, that person may claim no
21 credits under this subsection for the taxable year that includes the day on which the
22 person becomes ineligible for tax benefits or succeeding taxable years and that
23 person may carry over no unused credits from previous years to offset tax under this
24 chapter for the taxable year that includes the day on which the person becomes
25 ineligible for tax benefits or succeeding taxable years.

SECTION 1937

1 ***-1465/P4.516* *-1059/P3.268* SECTION 1937.** 71.28 (1di) (g) of the statutes
2 is amended to read:

3 71.28 (1di) (g) If a person who is entitled under s. 560.795 (3), 2009 stats., to
4 claim tax benefits ceases business operations in the development zone during any of
5 the taxable years that that zone exists, that person may not carry over to any taxable
6 year following the year during which operations cease any unused credits from the
7 taxable year during which operations cease or from previous taxable years.

8 ***-1465/P4.517* *-1059/P3.269* SECTION 1938.** 71.28 (1di) (i) of the statutes
9 is amended to read:

10 71.28 (1di) (i) The development zones credit under this subsection, as it applies
11 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
12 conducts economic activity in a development opportunity zone under s. 560.795 (1),
13 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
14 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
15 zone credit under this paragraph may be calculated using expenses incurred by a
16 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
17 development opportunity zone designation of the area in which the claimant
18 conducts economic activity.

19 ***-1465/P4.518* *-1059/P3.270* SECTION 1939.** 71.28 (1dj) (am) (intro.) of the
20 statutes is amended to read:

21 71.28 (1dj) (am) (intro.) Except as provided under par. (f) or s. 73.03 (35), for
22 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
23 for tax benefits, any person may claim as a credit against taxes otherwise due under
24 this chapter an amount calculated as follows:

1 ***-1465/P4.519* *-1059/P3.271* SECTION 1940.** 71.28 (1dj) (am) 4. a. of the
2 statutes is amended to read:

3 71.28 (1dj) (am) 4. a. If certified under s. 560.765 (3), 2009 stats., for tax
4 benefits before January 1, 1992, modify “qualified wages” as defined in section 51 (b)
5 of the internal revenue code to exclude wages paid before the claimant is certified for
6 tax benefits and to exclude wages that are paid to employees for work at any location
7 that is not in a development zone under subch. VI of ch. 560, 2009 stats. For purposes
8 of this subd. 4. a., mobile employees work at their base of operations and leased or
9 rented employees work at the location where they perform services.

10 ***-1465/P4.520* *-1059/P3.272* SECTION 1941.** 71.28 (1dj) (am) 4. b. of the
11 statutes is amended to read:

12 71.28 (1dj) (am) 4. b. If certified under s. 560.765 (3), 2009 stats., for tax
13 benefits after December 31, 1991, modify “qualified wages” as defined in section 51
14 (b) of the internal revenue code to exclude wages paid before the claimant is certified
15 for tax benefits and to exclude wages that are paid to employees for work at any
16 location that is not in a development zone under subch. VI of ch. 560, 2009 stats. For
17 purposes of this subd. 4. b., mobile employees and leased or rented employees work
18 at their base of operations.

19 ***-1465/P4.521* *-1059/P3.273* SECTION 1942.** 71.28 (1dj) (am) 4c. of the
20 statutes is amended to read:

21 71.28 (1dj) (am) 4c. Modify the rule for ineligible individuals under section 51
22 (i) (1) of the internal revenue code to allow credit for the wages of related individuals
23 paid by an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
24 enterprise, as defined in s. 71.07 (2di) (b) 2., if the Indian business or tribal enterprise
25 is located in a development zone designated under s. 560.71 (3) (c) 2., 2009 stats.

SECTION 1943

1 ***-1465/P4.522* *-1059/P3.274* SECTION 1943.** 71.28 (1dj) (am) 4t. of the
2 statutes is amended to read:

3 71.28 (1dj) (am) 4t. If certified under s. 560.765 (3), 2009 stats., for tax benefits
4 before January 1, 1992, modify section 51 (i) (3) of the internal revenue code so that
5 for leased or rented employees, except employees of a leasing agency certified for tax
6 benefits who perform services directly for the agency in a development zone, the
7 minimum employment periods apply to the time that they perform services in a
8 development zone for a single lessee or renter, not to their employment by the leasing
9 agency.

10 ***-1465/P4.523* *-1059/P3.275* SECTION 1944.** 71.28 (1dj) (e) 1. of the
11 statutes is amended to read:

12 71.28 (1dj) (e) 1. A copy of the claimant's certification for tax benefits under s.
13 560.765 (3), 2009 stats.

14 ***-1465/P4.524* *-1059/P3.276* SECTION 1945.** 71.28 (1dj) (e) 3. a. of the
15 statutes is amended to read:

16 71.28 (1dj) (e) 3. a. If certified under s. 560.765 (3), 2009 stats., for tax benefits
17 before January 1, 1992, a statement from the department of commerce verifying the
18 amount of qualifying wages and verifying that the employees were hired for work
19 only in a development zone or are mobile employees whose base of operations is in
20 a development zone.

21 ***-1465/P4.525* *-1059/P3.277* SECTION 1946.** 71.28 (1dj) (e) 3. b. of the
22 statutes is amended to read:

23 71.28 (1dj) (e) 3. b. If certified under s. 560.765 (3), 2009 stats., for tax benefits
24 after December 31, 1991, a statement from the department of commerce verifying the
25 amount of qualifying wages and verifying that the employees were hired for work

only in a development zone or are mobile employees or leased or rented employees whose base of operations is in a development zone.

***-1465/P4.526* *-1059/P3.278* SECTION 1947.** 71.28 (1dj) (i) of the statutes is amended to read:

71.28 (1dj) (i) The development zones credit under this subsection, as it applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a development opportunity zone under s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats., subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity zone credit under this paragraph may be calculated using expenses incurred by a claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the area in which the claimant conducts economic activity.

***-1465/P4.527* *-1059/P3.279* SECTION 1948.** 71.28 (1dL) (a) of the statutes is amended to read:

71.28 (1dL) (a) Except as provided in pars. (ag), (ar), (bm) and (f) and s. 73.03 (35), for any taxable year for which the person is certified under s. 560.765 (3), 2009 stats., for tax benefits, any person may claim as a credit against taxes otherwise due under this subchapter an amount equal to 2.5% of the amount expended by that person to acquire, construct, rehabilitate or repair real property in a development zone under subch. VI of ch. 560, 2009 stats.

***-1465/P4.528* *-1059/P3.280* SECTION 1949.** 71.28 (1dL) (ag) of the statutes is amended to read:

71.28 (1dL) (ag) If the credit under par. (a) is claimed for an amount expended to construct, rehabilitate, remodel or repair property, the claimant must have begun

1 the physical work of construction, rehabilitation, remodeling or repair, or any
2 demolition or destruction in preparation for the physical work, after the place where
3 the property is located was designated a development zone under s. 560.71, 2009
4 stats., and the completed project must be placed in service after the claimant is
5 certified for tax benefits under s. 560.765 (3), 2009 stats. In this paragraph, “physical
6 work” does not include preliminary activities such as planning, designing, securing
7 financing, researching, developing specifications or stabilizing the property to
8 prevent deterioration.

9 ***-1465/P4.529* *-1059/P3.281* SECTION 1950.** 71.28 (1dL) (ar) of the statutes
10 is amended to read:

11 71.28 (1dL) (ar) If the credit under par. (a) is claimed for an amount expended
12 to acquire property, the property must have been acquired by the claimant after the
13 place where the property is located was designated a development zone under s.
14 560.71, 2009 stats., and the completed project must be placed in service after the
15 claimant is certified for tax benefits under s. 560.765 (3), 2009 stats., and the
16 property must not have been previously owned by the claimant or a related person
17 during the 2 years prior to the designation of the development zone under s. 560.71,
18 2009 stats. No credit is allowed for an amount expended to acquire property until
19 the property, either in its original state as acquired by the claimant or as
20 subsequently constructed, rehabilitated, remodeled or repaired, is placed in service.

21 ***-1465/P4.530* *-1059/P3.282* SECTION 1951.** 71.28 (1dL) (bm) of the
22 statutes is amended to read:

23 71.28 (1dL) (bm) In calculating the credit under par. (a) a claimant shall reduce
24 the amount expended to acquire property by a percentage equal to the percentage of
25 the area of the real property not used for the purposes for which the claimant is

1 certified to claim tax benefits under s. 560.765 (3), 2009 stats., and shall reduce the
2 amount expended for other purposes by the amount expended on the part of the
3 property not used for the purposes for which the claimant is certified to claim tax
4 benefits under s. 560.765 (3), 2009 stats.

5 ***-1465/P4.531* *-1059/P3.283* SECTION 1952.** 71.28 (1dL) (c) of the statutes
6 is amended to read:

7 71.28 (1dL) (c) If the claimant is located on an Indian reservation, as defined
8 in s. 560.86 (5), 2009 stats., and is an American Indian, as defined in s. 560.86 (1),
9 2009 stats., an Indian business, as defined in s. 560.86 (4), 2009 stats., or a tribal
10 enterprise, as defined in s. 71.07 (2di) (b) 2., and if the allowable amount of the credit
11 under par. (a) exceeds the taxes otherwise due under this chapter on or measured by
12 the claimant's income, the amount of the credit not used as an offset against those
13 taxes shall be certified to the department of administration for payment to the
14 claimant by check, share draft or other draft.

15 ***-1465/P4.532* *-1059/P3.284* SECTION 1953.** 71.28 (1dL) (i) of the statutes
16 is amended to read:

17 71.28 (1dL) (i) The development zones credit under this subsection, as it
18 applies to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation
19 that conducts economic activity in a development opportunity zone under s. 560.795
20 (1), 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
21 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
22 zone credit under this paragraph may be calculated using expenses incurred by a
23 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
24 development opportunity zone designation of the area in which the claimant
25 conducts economic activity.

SECTION 1954

1 ***-1465/P4.533* *-1059/P3.285* SECTION 1954.** 71.28 (1dm) (a) 1. of the
2 statutes is amended to read:

3 71.28 (1dm) (a) 1. "Certified" means entitled under s. 238.395 (3) (a) 4. or s.
4 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
5 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
6 s. or 560.7995 (4), 2009 stats.

7 ***-1465/P4.534* *-1059/P3.286* SECTION 1955.** 71.28 (1dm) (a) 3. of the
8 statutes is amended to read:

9 71.28 (1dm) (a) 3. "Development zone" means a development opportunity zone
10 under s. 238.395 (1) (e) and (f) or 238.398 or s. 560.795 (1) (e) and (f), 2009 stats., or
11 s. 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
12 560.7995, 2009 stats.

13 ***-1465/P4.535* *-1059/P3.287* SECTION 1956.** 71.28 (1dm) (a) 4. of the
14 statutes is amended to read:

15 71.28 (1dm) (a) 4. "Previously owned property" means real property that the
16 claimant or a related person owned during the 2 years prior to the department of
17 commerce or the Wisconsin Economic Development Corporation designating the
18 place where the property is located as a development zone and for which the claimant
19 may not deduct a loss from the sale of the property to, or an exchange of the property
20 with, the related person under section 267 of the Internal Revenue Code, except that
21 section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns
22 any part of the property, rather than 50% ownership, the claimant is subject to
23 section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

24 ***-1465/P4.536* *-1059/P3.288* SECTION 1957.** 71.28 (1dm) (f) 1. of the
25 statutes is amended to read:

71.28 (1dm) (f) 1. A copy of ~~a the verification from the department of commerce~~ that the claimant may claim tax benefits under s. 238.395 (3) (a) 4. or s. 560.795 (3) (a) 4., 2009 stats., or is certified under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

***-1465/P4.537* *-1059/P3.289* SECTION 1958.** 71.28 (1dm) (f) 2. of the statutes is amended to read:

71.28 (1dm) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation verifying the purchase price of the investment and verifying that the investment fulfills the requirements under par. (b).

***-1465/P4.538* *-1059/P3.290* SECTION 1959.** 71.28 (1dm) (i) of the statutes is amended to read:

71.28 (1dm) (i) Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, that credit shall be determined on the basis of their economic activity, not that of their shareholders, partners, or members. The corporation, partnership, or limited liability company shall compute the amount of credit that may be claimed by each of its shareholders, partners, or members and provide that information to its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income from the partnership's, company's, or corporation's business operations in the development zone; except that partners, members, and shareholders in a

SECTION 1959

1 development zone under s. 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset
2 the credit against the amount of the tax attributable to their income.

3 ***-1465/P4.539* *-1059/P3.291* SECTION 1960.** 71.28 (1dm) (j) of the statutes
4 is amended to read:

5 71.28 (1dm) (j) If a person who is entitled under s. 238.395 (3) (a) 4. or s. 560.795
6 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits,
7 or if a person's certification under s. 238.395 (5), 238.398 (3), or 238.3995 (4) or s.
8 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is
9 revoked, that person may claim no credits under this subsection for the taxable year
10 that includes the day on which the person becomes ineligible for tax benefits, the
11 taxable year that includes the day on which the certification is revoked, or succeeding
12 taxable years, and that person may carry over no unused credits from previous years
13 to offset tax under this chapter for the taxable year that includes the day on which
14 the person becomes ineligible for tax benefits, the taxable year that includes the day
15 on which the certification is revoked, or succeeding taxable years.

16 ***-1465/P4.540* *-1059/P3.292* SECTION 1961.** 71.28 (1dm) (k) of the statutes
17 is amended to read:

18 71.28 (1dm) (k) If a person who is entitled under s. 238.395 (3) (a) 4. or s.
19 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 238.395 (5),
20 239.398 (3), or 238.3995 (4) or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
21 or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone
22 during any of the taxable years that that zone exists, that person may not carry over
23 to any taxable year following the year during which operations cease any unused
24 credits from the taxable year during which operations cease or from previous taxable
25 years.

1 ***-1465/P4.541* *-1059/P3.293* SECTION 1962.** 71.28 (1ds) (a) 1. of the
2 statutes is amended to read:

3 71.28 **(1ds)** (a) 1. "Development zone" means a zone designated under s. 560.71,
4 2009 stats.

5 ***-1465/P4.542* *-1059/P3.294* SECTION 1963.** 71.28 (1ds) (b) of the statutes
6 is amended to read:

7 71.28 **(1ds)** (b) Except as provided in pars. (dm) and (e) and s. 73.03 (35), for
8 any taxable year for which the person is certified under s. 560.765 (3), 2009 stats.,
9 for tax benefits, any person may claim as a credit against taxes otherwise due under
10 this chapter the taxes paid under subchs. III and V of ch. 77 on their purchases, leases
11 and rentals of eligible property. Partnerships, limited liability companies and
12 tax-option corporations may not claim the credit under this subsection, but the
13 eligibility for, and the amount of, that credit shall be determined on the basis of their
14 economic activity, not that of their partners, members or shareholders. The
15 partnership, limited liability company or corporation shall compute the amount of
16 credit that may be claimed by each of its partners, members or shareholders and
17 shall provide that information to its partners, members or shareholders. Partners,
18 members of limited liability companies and shareholders of tax-option corporations
19 may claim the credit based on the partnership's, company's or corporation's activities
20 in proportion to their ownership interest.

21 ***-1465/P4.543* *-1059/P3.295* SECTION 1964.** 71.28 (1ds) (d) 1. of the
22 statutes is amended to read:

23 71.28 **(1ds)** (d) 1. A copy of the claimant's certification for tax benefits under
24 s. 560.765 (3), 2009 stats.

SECTION 1965

1 ***-1465/P4.544* *-1059/P3.296* SECTION 1965.** 71.28 (1ds) (i) of the statutes
2 is amended to read:

3 71.28 (1ds) (i) The development zones credit under this subsection, as it applies
4 to a person certified under s. 560.765 (3), 2009 stats., applies to a corporation that
5 conducts economic activity in a development opportunity zone under s. 560.795 (1),
6 2009 stats., and that is entitled to tax benefits under s. 560.795 (3), 2009 stats.,
7 subject to the limits under s. 560.795 (2), 2009 stats. A development opportunity
8 zone credit under this paragraph may be calculated using expenses incurred by a
9 claimant beginning on the effective date under s. 560.795 (2) (a), 2009 stats., of the
10 development opportunity zone designation of the area in which the claimant
11 conducts economic activity.

12 ***-1465/P4.545* *-1059/P3.297* SECTION 1966.** 71.28 (1dx) (a) 2. of the
13 statutes is amended to read:

14 71.28 (1dx) (a) 2. "Development zone" means a development zone under s.
15 238.30 or s. 560.70, 2009 stats., a development opportunity zone under s. 238.395 or
16 s. 560.795, 2009 stats., an enterprise development zone under s. 238.397 or s.
17 560.797, 2009 stats., an agricultural development zone under s. 238.398 or s.
18 560.798, 2009 stats., or an airport development zone under s. 238.3995 or s.
19 560.7995, 2009 stats.

20 ***-1195/2.127* SECTION 1967.** 71.28 (1dx) (a) 5. of the statutes is amended to
21 read:

22 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
23 in an area designated by the federal government as an economic revitalization area,
24 a person who is employed in an unsubsidized job but meets the eligibility
25 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,

1 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
2 real pay project position under s. 49.147 (3m), a person who is eligible for child care
3 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
4 economically disadvantaged youth, an economically disadvantaged veteran, a
5 supplemental security income recipient, a general assistance recipient, an
6 economically disadvantaged ex-convict, a qualified summer youth employee, as
7 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
8 a ~~food stamp~~ recipient of benefits under the supplemental nutrition assistance
9 program under 7 USC 2011 to 2036, if the person has been certified in the manner
10 under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

11 ***-1465/P4.546* *-1059/P3.298* SECTION 1968.** 71.28 (1dx) (b) (intro.) of the
12 statutes is amended to read:

13 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
14 in s. 73.03 (35), and subject to s. 238.385 or s. 560.785, 2009 stats., for any taxable
15 year for which the person is entitled under s. 238.395 (3) or s. 560.795 (3), 2009 stats.,
16 to claim tax benefits or certified under s. 238.365 (3), 238.397 (4), 238.398 (3), or
17 238.3995 (4) or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3),
18 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against
19 the taxes otherwise due under this chapter the following amounts:

20 ***-1465/P4.547* *-1059/P3.299* SECTION 1969.** 71.28 (1dx) (b) 2. of the
21 statutes is amended to read:

22 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number
24 of full-time jobs created in a development zone and filled by a member of a targeted

1 group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or the
2 subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

3 ***-1465/P4.548* *-1059/P3.300* SECTION 1970.** 71.28 (1dx) (b) 3. of the
4 statutes is amended to read:

5 71.28 (1dx) (b) 3. The amount determined by multiplying the amount
6 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
7 of full-time jobs created in a development zone and not filled by a member of a
8 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
9 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

10 ***-1465/P4.549* *-1059/P3.301* SECTION 1971.** 71.28 (1dx) (b) 4. of the
11 statutes is amended to read:

12 71.28 (1dx) (b) 4. The amount determined by multiplying the amount
13 determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the
14 number of full-time jobs retained, as provided in the rules under s. 238.385 or s.
15 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub.
16 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats.,
17 and for which significant capital investment was made and by then subtracting the
18 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
19 under s. 49.147 (3m) (c) for those jobs.

20 ***-1465/P4.550* *-1059/P3.302* SECTION 1972.** 71.28 (1dx) (b) 5. of the
21 statutes is amended to read:

22 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
23 determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number
24 of full-time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,
25 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in

1 a development zone and not filled by a member of a targeted group and by then
2 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
3 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

4 ***-1465/P4.551* *-1059/P3.303* SECTION 1973.** 71.28 (1dx) (be) of the statutes
5 is amended to read:

6 71.28 (1dx) (be) *Offset.* A claimant in a development zone under s. 238.395
7 (1) (e) or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this
8 subsection, including any credits carried over, against the amount of the tax
9 otherwise due under this subchapter attributable to all of the claimant's income and
10 against the tax attributable to income from directly related business operations of
11 the claimant.

12 ***-1465/P4.552* *-1059/P3.304* SECTION 1974.** 71.28 (1dx) (bg) of the statutes
13 is amended to read:

14 71.28 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
15 238.395 (1) (e) or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability
16 companies, and tax-option corporations may not claim the credit under this
17 subsection, but the eligibility for, and amount of, that credit shall be determined on
18 the basis of their economic activity, not that of their shareholders, partners, or
19 members. The corporation, partnership, or company shall compute the amount of
20 the credit that may be claimed by each of its shareholders, partners, or members and
21 shall provide that information to each of its shareholders, partners, or members.
22 Partners, members of limited liability companies, and shareholders of tax-option
23 corporations may claim the credit based on the partnership's, company's, or
24 corporation's activities in proportion to their ownership interest and may offset it
25 against the tax attributable to their income.

SECTION 1975

1 ***-1465/P4.553* *-1059/P3.305* SECTION 1975.** 71.28 (1dx) (c) of the statutes
2 is amended to read:

3 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
4 under s. 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009
5 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009
6 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 238.395
7 (3) or s. 560.795 (3), 2009 stats., that person may not claim credits under this
8 subsection for the taxable year that includes the day on which the certification is
9 revoked; the taxable year that includes the day on which the person becomes
10 ineligible for tax benefits; or succeeding taxable years and that person may not carry
11 over unused credits from previous years to offset tax under this chapter for the
12 taxable year that includes the day on which certification is revoked; the taxable year
13 that includes the day on which the person becomes ineligible for tax benefits; or
14 succeeding taxable years.

15 ***-1465/P4.554* *-1059/P3.306* SECTION 1976.** 71.28 (1dx) (d) of the statutes
16 is amended to read:

17 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
18 238.395 (3) or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s.
19 238.365 (3), 238.397 (4), 238.398 (3), or 238.3995 (4) or s. 560.765 (3), 2009 stats., s.
20 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for
21 tax benefits ceases business operations in the development zone during any of the
22 taxable years that that zone exists, that person may not carry over to any taxable
23 year following the year during which operations cease any unused credits from the
24 taxable year during which operations cease or from previous taxable years.

1 ***-1465/P4.555* *-1059/P3.307* SECTION 1977.** 71.28 (1dy) (a) of the statutes
2 is amended to read:

3 71.28 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who
4 files a claim under this subsection and is certified under s. 238.301 (2) or s. 560.701
5 (2), 2009 stats., and authorized to claim tax benefits under s. 238.303 or s. 560.703,
6 2009 stats.

7 ***-1465/P4.556* *-1059/P3.308* SECTION 1978.** 71.28 (1dy) (b) of the statutes
8 is amended to read:

9 71.28 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
10 and ss. 238.301 to 238.306 or s. 560.701 to 560.706, 2009 stats., for taxable years
11 beginning after December 31, 2008, a claimant may claim as a credit against the tax
12 imposed under s. 71.23, up to the amount of the tax, the amount authorized for the
13 claimant under s. 238.303 or s. 560.703, 2009 stats.

14 ***-1465/P4.557* *-1059/P3.309* SECTION 1979.** 71.28 (1dy) (c) 1. of the
15 statutes is amended to read:

16 71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the
17 claimant includes with the claimant’s return a copy of the claimant’s certification
18 under s. 238.301 (2) or s. 560.701 (2), 2009 stats., and a copy of the claimant’s notice
19 of eligibility to receive tax benefits under s. 238.303 (3) or s. 560.703 (3), 2009 stats.

20 ***-1465/P4.558* *-1059/P3.310* SECTION 1980.** 71.28 (1dy) (c) 2. of the
21 statutes is amended to read:

22 71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
23 corporations may not claim the credit under this subsection, but the eligibility for,
24 and the amount of, the credit are based on their authorization to claim tax benefits
25 under s. 238.303 or s. 560.703, 2009 stats. A partnership, limited liability company,

SECTION 1980

1 or tax-option corporation shall compute the amount of credit that each of its
2 partners, members, or shareholders may claim and shall provide that information
3 to each of them. Partners, members of limited liability companies, and shareholders
4 of tax-option corporations may claim the credit in proportion to their ownership
5 interests.

6 ***-1465/P4.559* *-1059/P3.311* SECTION 1981.** 71.28 (1dy) (d) 2. of the
7 statutes is amended to read:

8 71.28 (1dy) (d) 2. If a claimant's certification is revoked under s. 238.305 or s.
9 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s.
10 238.302 or s. 560.702, 2009 stats., the claimant may not claim credits under this
11 subsection for the taxable year that includes the day on which the certification is
12 revoked; the taxable year that includes the day on which the claimant becomes
13 ineligible for tax benefits; or succeeding taxable years and the claimant may not
14 carry over unused credits from previous years to offset the tax imposed under s. 71.23
15 for the taxable year that includes the day on which certification is revoked; the
16 taxable year that includes the day on which the claimant becomes ineligible for tax
17 benefits; or succeeding taxable years.

18 ***-1465/P4.560* *-1059/P3.312* SECTION 1982.** 71.28 (3g) (a) (intro.) of the
19 statutes is amended to read:

20 71.28 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
21 73.03 (35m) and 238.23 and s. 560.96, 2009 stats., a business that is certified under
22 s. 238.23 (3) or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes
23 imposed under s. 71.23 an amount equal to the sum of the following, as established
24 under s. 238.23 (3) (c) or s. 560.96 (3) (c), 2009 stats.:

1 ***-1465/P4.561* *-1059/P3.313* SECTION 1983.** 71.28 (3g) (b) of the statutes
2 is amended to read:

3 71.28 (3g) (b) The department of revenue shall notify the department of
4 commerce or the Wisconsin Economic Development Corporation of all claims under
5 this subsection.

6 ***-1465/P4.562* *-1059/P3.314* SECTION 1984.** 71.28 (3g) (e) 2. of the statutes
7 is amended to read:

8 71.28 (3g) (e) 2. The investments that relate to the amount described under par.
9 (a) 2. for which a claimant makes a claim under this subsection must be retained for
10 use in the technology zone for the period during which the claimant's business is
11 certified under s. 238.23 (3) or s. 560.96 (3), 2009 stats.

12 ***-1465/P4.563* *-1059/P3.315* SECTION 1985.** 71.28 (3g) (f) 1. of the statutes
13 is amended to read:

14 71.28 (3g) (f) 1. A copy of ~~a~~ the verification from the department of commerce
15 that the claimant's business is certified under s. 238.23 (3) or s. 560.96 (3), 2009
16 stats., and that the business and the department of commerce have has entered into
17 an agreement under s. 238.23 (3) (d) or s. 560.96 (3) (d), 2009 stats.

18 ***-1465/P4.564* *-1059/P3.316* SECTION 1986.** 71.28 (3g) (f) 2. of the statutes
19 is amended to read:

20 71.28 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
21 Economic Development Corporation verifying the purchase price of the investment
22 described under par. (a) 2. and verifying that the investment fulfills the requirement
23 under par. (e) 2.

24 ***-1465/P4.565* *-1059/P3.317* SECTION 1987.** 71.28 (3p) (b) of the statutes
25 is amended to read:

1 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. 93.535 or s. 560.207, 2009 stats., except as provided in par. (c) 5.,
3 for taxable years beginning after December 31, 2006, and before January 1, 2015, a
4 claimant may claim as a credit against the taxes imposed under s. 71.23, up to the
5 amount of the tax, an amount equal to 10 percent of the amount the claimant paid
6 in the taxable year for dairy manufacturing modernization or expansion related to
7 the claimant's dairy manufacturing operation.

8 ***-1465/P4.566* *-1059/P3.318* SECTION 1988.** 71.28 (3p) (c) 2m. a. of the
9 statutes is amended to read:

10 71.28 (3p) (c) 2m. a. The maximum amount of the credits that may be claimed
11 under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2007-08 is
12 \$600,000, as allocated under s. 560.207, 2009 stats.

13 ***-1465/P4.567* *-1059/P3.319* SECTION 1989.** 71.28 (3p) (c) 2m. b. of the
14 statutes is amended to read:

15 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
16 by all claimants, other than members of dairy cooperatives, under this subsection
17 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
18 thereafter, is \$700,000, as allocated under s. 93.535 or s. 560.207, 2009 stats.

19 ***-1465/P4.568* *-1059/P3.320* SECTION 1990.** 71.28 (3p) (c) 2m. bm. of the
20 statutes is amended to read:

21 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
22 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
23 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, 2009 stats., and
24 the maximum amount of the credits that may be claimed by members of dairy
25 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year

2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s. 93.535
or s. 560.207, 2009 stats.

***-0170/P1.2* SECTION 1991.** 71.28 (3p) (c) 3. of the statutes is amended to read:

71.28 (3p) (c) 3. Partnerships, limited liability companies, tax-option corporations, and dairy cooperatives may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that ~~the entity~~ a dairy cooperative may compute shall not exceed \$200,000 for each of the ~~entity's~~ cooperative's dairy manufacturing facilities. A partnership, limited liability company, tax-option corporation, or dairy cooperative shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest. Members of a dairy cooperative may claim the credit in proportion to the amount of milk that each member delivers to the dairy cooperative, as determined by the dairy cooperative.

***-1465/P4.569* *-1059/P3.321* SECTION 1992.** 71.28 (3p) (c) 6. of the statutes is amended to read:

71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the claimant submits with the claimant's return a copy of the claimant's credit certification and allocation under s. 93.535 or s. 560.207, 2009 stats.

***-1465/P4.570* *-1059/P3.322* SECTION 1993.** 71.28 (3q) (a) 1. of the statutes is amended to read:

71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

SECTION 1994

1 ***-1465/P4.571* *-1059/P3.323* SECTION 1994.** 71.28 (3q) (a) 2. of the statutes
2 is amended to read:

3 71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
4 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
5 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
6 taxable years beginning after December 31, 2010, an eligible employee under s.
7 238.16 (1) (b).

8 ***-1465/P4.572* *-1059/P3.324* SECTION 1995.** 71.28 (3q) (b) (intro.) of the
9 statutes is amended to read:

10 71.28 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
11 subsection and s. 238.16 or s. 560.2055, 2009 stats., for taxable years beginning after
12 December 31, 2009, a claimant may claim as a credit against the taxes imposed under
13 s. 71.23 any of the following:

14 ***-1465/P4.573* *-1059/P3.325* SECTION 1996.** 71.28 (3q) (b) 1. of the statutes
15 is amended to read:

16 71.28 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
17 employee in the taxable year, not to exceed 10 percent of such wages, as determined
18 by ~~the department of commerce~~ under s. 238.16 or s. 560.2055, 2009 stats.

19 ***-1465/P4.574* *-1059/P3.326* SECTION 1997.** 71.28 (3q) (b) 2. of the statutes
20 is amended to read:

21 71.28 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
22 year, as determined under s. 238.16 or s. 560.2055, 2009 stats., to undertake the
23 training activities described under s. 238.16 (3) (c) or s. 560.2055 (3) (c), 2009 stats.

24 ***-1465/P4.575* *-1059/P3.327* SECTION 1998.** 71.28 (3q) (c) 2. of the statutes
25 is amended to read:

1 71.28 (3q) (c) 2. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. 238.16 (2) or s. 560.2055 (2), 2009 stats.

4 ***-1465/P4.576* *-1059/P3.328* SECTION 1999.** 71.28 (3q) (c) 3. of the statutes
5 is amended to read:

6 71.28 (3q) (c) 3. The maximum amount of credits that may be awarded under
7 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
8 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
9 any credits reallocated under s. 238.15 (3) (d) or s. 560.205 (3) (d), 2009 stats.

10 ***-1465/P4.577* *-1059/P3.329* SECTION 2000.** 71.28 (3r) (b) of the statutes
11 is amended to read:

12 71.28 (3r) (b) *Filing claims.* Subject to the limitations provided in this
13 subsection and s. 238.19 or s. 560.208, 2009 stats., for taxable years beginning after
14 December 31, 2008, and before January 1, 2017, a claimant may claim as a credit
15 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
16 equal to 10 percent of the amount the claimant paid in the taxable year for meat
17 processing modernization or expansion related to the claimant's meat processing
18 operation.

19 ***-1465/P4.578* *-1059/P3.330* SECTION 2001.** 71.28 (3r) (c) 3. a. of the
20 statutes is amended to read:

21 71.28 (3r) (c) 3. a. The maximum amount of the credits that may be allocated
22 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is
23 \$300,000, as allocated under s. 560.208, 2009 stats.

24 ***-1465/P4.579* *-1059/P3.331* SECTION 2002.** 71.28 (3r) (c) 3. b. of the
25 statutes is amended to read:

SECTION 2002

1 71.28 (3r) (c) 3. b. The maximum amount of the credits that may be allocated
2 under this subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in
3 each fiscal year thereafter, is \$700,000, as allocated under s. 238.19 or s. 560.208,
4 2009 stats.

5 ***-1465/P4.580* *-1059/P3.332* SECTION 2003.** 71.28 (3r) (c) 6. of the statutes
6 is amended to read:

7 71.28 (3r) (c) 6. No credit may be allowed under this subsection unless the
8 claimant submits with the claimant's return a copy of the claimant's credit
9 certification and allocation under s. 238.19 or s. 560.208, 2009 stats.

10 ***-1465/P4.581* *-1059/P3.333* SECTION 2004.** 71.28 (3rm) (b) of the statutes
11 is amended to read:

12 71.28 (3rm) (b) *Filing claims.* Subject to the limitations provided in this
13 subsection and s. 238.21 or s. 560.209, 2009 stats., for taxable years beginning after
14 December 31, 2009, and before January 1, 2016, a claimant may claim as a credit
15 against the taxes imposed under s. 71.23, up to the amount of the tax, an amount
16 equal to 10 percent of the amount the claimant paid in the taxable year for equipment
17 that is used primarily to harvest or process woody biomass that is used as fuel or as
18 a component of fuel.

19 ***-1465/P4.582* *-1059/P3.334* SECTION 2005.** 71.28 (3rm) (c) 3. of the
20 statutes is amended to read:

21 71.28 (3rm) (c) 3. The maximum amount of the credits that may be claimed
22 under this subsection and ss. 71.07 (3rm) and 71.47 (3rm) is \$900,000, as allocated
23 under s. 238.21 or s. 560.209, 2009 stats.

24 ***-1465/P4.583* *-1059/P3.335* SECTION 2006.** 71.28 (3rn) (b) of the statutes
25 is amended to read:

1 71.28 (3rn) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. ~~506.2056~~ 238.17 or s. 560.2056, 2009 stats., for taxable years
3 beginning after December 31, 2009, and before January 1, 2017, a claimant may
4 claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax,
5 an amount equal to 10 percent of the amount the claimant paid in the taxable year
6 for food processing or food warehousing modernization or expansion related to the
7 operation of the claimant's food processing plant or food warehouse.

8 ***-1465/P4.584* *-1059/P3.336* SECTION 2007.** 71.28 (3rn) (c) 3. a. of the
9 statutes is amended to read:

10 71.28 (3rn) (c) 3. a. The maximum amount of the credits that may be allocated
11 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2009-10 is
12 \$1,000,000, as allocated under s. 560.2056, 2009 stats.

13 ***-1465/P4.585* *-1059/P3.337* SECTION 2008.** 71.28 (3rn) (c) 3. b. of the
14 statutes is amended to read:

15 71.28 (3rn) (c) 3. b. The maximum amount of the credits that may be allocated
16 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2010-11 is
17 \$1,200,000, as allocated under s. 560.2056, 2009 stats.

18 ***-1465/P4.586* *-1059/P3.338* SECTION 2009.** 71.28 (3rn) (c) 3. c. of the
19 statutes is amended to read:

20 71.28 (3rn) (c) 3. c. The maximum amount of the credits that may be allocated
21 under this subsection and ss. 71.07 (3rn) and 71.47 (3rn) in fiscal year 2011-12, and
22 in each year thereafter, is \$700,000, as allocated under s. 238.17 or s. 560.2056, 2009
23 stats.

24 ***-1465/P4.587* *-1059/P3.339* SECTION 2010.** 71.28 (3rn) (c) 6. of the
25 statutes is amended to read:

1 71.28 (3rn) (c) 6. No credit may be allowed under this subsection unless the
2 claimant submits with the claimant's return a copy of the claimant's credit
3 certification and allocation under s. 238.17 or s. 560.2056, 2009 stats.

4 ***-1465/P4.588* *-1059/P3.340* SECTION 2011.** 71.28 (3t) (b) of the statutes
5 is amended to read:

6 71.28 (3t) (b) *Credit*. Subject to the limitations provided in this subsection and
7 in s. 560.28, 2009 stats., for taxable years beginning after December 31, 2007, a
8 claimant may claim as a credit, amortized over 15 taxable years starting with the
9 taxable year beginning after December 31, 2007, against the tax imposed under s.
10 71.23, up to the amount of the tax, an amount equal to the claimant's unused credits
11 under s. 71.28 (3).

12 ***-1465/P4.589* *-1059/P3.341* SECTION 2012.** 71.28 (3t) (c) 1. of the statutes
13 is amended to read:

14 71.28 (3t) (c) 1. No credit may be claimed under this subsection unless the
15 claimant submits with the claimant's return a copy of the claimant's certification by
16 the department of commerce under s. 560.28, 2009 stats., except that, with regard
17 to credits claimed by partners of a partnership, members of a limited liability
18 company, or shareholders of a tax-option corporation, the entity shall provide a copy
19 of its certification under s. 560.28, 2009 stats., to the partner, member, or shareholder
20 to submit with his or her return.

21 ***-1465/P4.590* *-1059/P3.342* SECTION 2013.** 71.28 (3w) (a) 2. of the
22 statutes is amended to read:

23 71.28 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
24 benefits under s. 238.399 (5) or s. 560.799 (5), 2009 stats., and who files a claim under
25 this subsection.

1 ***-1465/P4.591* *-1059/P3.343* SECTION 2014.** 71.28 (3w) (a) 3. of the
2 statutes is amended to read:

3 71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
4 in s. 238.399 (1) (am) or s. 560.799 (1) (am), 2009 stats.

5 ***-1465/P4.592* *-1059/P3.344* SECTION 2015.** 71.28 (3w) (a) 4. of the
6 statutes is amended to read:

7 71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 238.399
8 or s. 560.799, 2009 stats.

9 ***-1465/P4.593* *-1059/P3.345* SECTION 2016.** 71.28 (3w) (a) 5d. of the
10 statutes is amended to read:

11 71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
12 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
13 560.799, 2009 stats.

14 ***-1465/P4.594* *-1059/P3.346* SECTION 2017.** 71.28 (3w) (a) 5e. of the
15 statutes is amended to read:

16 71.28 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
17 municipality, as determined ~~by the department of commerce~~ under s. 238.399 or s.
18 560.799, 2009 stats.

19 ***-1465/P4.595* *-1059/P3.347* SECTION 2018.** 71.28 (3w) (b) (intro.) of the
20 statutes is amended to read:

21 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
22 provided in this subsection and s. 238.399 or s. 560.799, 2009 stats., a claimant may
23 claim as a credit against the tax imposed under s. 71.23 an amount calculated as
24 follows:

SECTION 2019

1 ***-1465/P4.596* *-1059/P3.348* SECTION 2019.** 71.28 (3w) (b) 5. of the
2 statutes is amended to read:

3 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
4 percentage determined ~~by the department of commerce~~ under s. 238.399 or s.
5 560.799, 2009 stats., not to exceed 7 percent.

6 ***-1465/P4.597* *-1059/P3.349* SECTION 2020.** 71.28 (3w) (bm) 1. of the
7 statutes is amended to read:

8 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
9 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
10 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
11 s. 71.23 an amount equal to a percentage, as determined ~~by the department of~~
12 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 100 percent, of
13 the amount the claimant paid in the taxable year to upgrade or improve the
14 job-related skills of any of the claimant's full-time employees, to train any of the
15 claimant's full-time employees on the use of job-related new technologies, or to
16 provide job-related training to any full-time employee whose employment with the
17 claimant represents the employee's first full-time job. This subdivision does not
18 apply to employees who do not work in an enterprise zone.

19 ***-1465/P4.598* *-1059/P3.350* SECTION 2021.** 71.28 (3w) (bm) 2. of the
20 statutes is amended to read:

21 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
22 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
23 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under
24 s. 71.23 an amount equal to the percentage, as determined ~~by the department of~~
25 ~~commerce~~ under s. 238.399 or s. 560.799, 2009 stats., not to exceed 7 percent, of the

1 claimant's zone payroll paid in the taxable year to all of the claimant's full-time
2 employees whose annual wages are greater than \$20,000 in a tier I county or
3 municipality, not including the wages paid to the employees determined under par.
4 (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the
5 wages paid to the employees determined under par. (b) 1., and who the claimant
6 employed in the enterprise zone in the taxable year, if the total number of such
7 employees is equal to or greater than the total number of such employees in the base
8 year. A claimant may claim a credit under this subdivision for no more than 5
9 consecutive taxable years.

10 ***-1465/P4.599* *-1059/P3.351* SECTION 2022.** 71.28 (3w) (bm) 3. of the
11 statutes is amended to read:

12 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
13 4., and subject to the limitations provided in this subsection and s. 238.399 or s.
14 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
15 may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the
16 claimant's significant capital expenditures, as determined ~~by the department of~~
17 ~~commerce~~ under s. 238.399 (5m) or s. 560.799 (5m), 2009 stats.

18 ***-1465/P4.600* *-1059/P3.352* SECTION 2023.** 71.28 (3w) (bm) 4. of the
19 statutes is amended to read:

20 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
21 3., and subject to the limitations provided in this subsection and s. 238.399 or s.
22 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant
23 may claim as a credit against the tax imposed under s. 71.23, up to 1 percent of the
24 amount that the claimant paid in the taxable year to purchase tangible personal
25 property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from

SECTION 2023

1 Wisconsin vendors, as determined by the department of commerce under s. 238.399
2 (5) (e) or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the
3 credit under this subdivision and subd. 3. for the same expenditures.

4 ***-1465/P4.601* *-1059/P3.353* SECTION 2024.** 71.28 (3w) (c) 3. of the statutes
5 is amended to read:

6 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
7 claimant includes with the claimant's return a copy of the claimant's certification for
8 tax benefits under s. 238.399 (5) or (5m) or s. 560.799 (5) or (5m), 2009 stats.

9 ***-1465/P4.602* *-1059/P3.354* SECTION 2025.** 71.28 (3w) (d) of the statutes
10 is amended to read:

11 71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the
12 credit under sub. (4), applies to the credit under this subsection. Claimants shall
13 include with their returns a copy of their certification for tax benefits, and a copy of
14 the verification of their expenses, from the department of commerce or the Wisconsin
15 Economic Development Corporation.

16 ***-1465/P4.603* *-1059/P3.355* SECTION 2026.** 71.28 (4) (am) 1. of the
17 statutes is amended to read:

18 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
19 credit against taxes otherwise due under this chapter an amount equal to 5 percent
20 of the amount obtained by subtracting from the corporation's qualified research
21 expenses, as defined in section 41 of the Internal Revenue Code, except that
22 "qualified research expenses" include only expenses incurred by the claimant in a
23 development zone under subch. II of ch. 238 or subch. VI of ch. 560, 2009 stats., except
24 that a taxpayer may elect the alternative computation under section 41 (c) (4) of the
25 Internal Revenue Code and that election applies until the department permits its

1 revocation and except that “qualified research expenses” do not include
2 compensation used in computing the credit under sub. (1dj) nor research expenses
3 incurred before the claimant is certified for tax benefits under s. 238.365 (3) or s.
4 560.765 (3), 2009 stats., the corporation’s base amount, as defined in section 41 (c)
5 of the Internal Revenue Code, in a development zone, except that gross receipts used
6 in calculating the base amount means gross receipts from sales attributable to
7 Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and
8 (dk) and research expenses used in calculating the base amount include research
9 expenses incurred before the claimant is certified for tax benefits under s. 238.365
10 (3) or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with
11 the claimant’s return a copy of the claimant’s certification for tax benefits under s.
12 238.365 (3) or s. 560.765 (3), 2009 stats., and a statement from the department of
13 commerce or the Wisconsin Economic Development Corporation verifying the
14 claimant’s qualified research expenses for research conducted exclusively in a
15 development zone. The rules under s. 73.03 (35) apply to the credit under this
16 subdivision. The rules under sub. (1di) (f) and (g) as they apply to the credit under
17 that subsection apply to claims under this subdivision. Section 41 (h) of the Internal
18 Revenue Code does not apply to the credit under this subdivision.

19 ***-1465/P4.604* *-1059/P3.356* SECTION 2027.** 71.28 (4) (am) 2. of the
20 statutes is amended to read:

21 71.28 (4) (am) 2. The development zones credit under subd. 1., as it applies to
22 a person certified under s. 238.365 (3) or s. 560.765 (3), 2009 stats., applies to a
23 corporation that conducts economic activity in a development opportunity zone
24 under s. 238.395 (1) or s. 560.795 (1), 2009 stats., and that is entitled to tax benefits
25 under s. 238.395 (3) or s. 560.795 (3), 2009 stats., subject to the limits under s.

SECTION 2027

1 238.395 (2) or s. 560.795 (2), 2009 stats. A development opportunity zone credit
2 under this subdivision may be calculated using expenses incurred by a claimant
3 beginning on the effective date under s. 238.395 (2) (a) or s. 560.795 (2) (a), 2009
4 stats., of the development opportunity zone designation of the area in which the
5 claimant conducts economic activity.

6 ***-1465/P4.605* *-1059/P3.357* SECTION 2028.** 71.28 (5b) (a) 2. of the statutes
7 is amended to read:

8 71.28 (5b) (a) 2. "Fund manager" means an investment fund manager certified
9 under s. 238.15 (2) or s. 560.205 (2), 2009 stats.

10 ***-1465/P4.606* *-1059/P3.358* SECTION 2029.** 71.28 (5b) (b) 1. of the statutes
11 is amended to read:

12 71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
13 to the limitations provided under this subsection and s. 238.15 or s. 560.205, 2009
14 stats., and except as provided in subd. 2., a claimant may claim as a credit against
15 the tax imposed under s. 71.23, up to the amount of those taxes, 25 percent of the
16 claimant's investment paid to a fund manager that the fund manager invests in a
17 business certified under s. 238.15 (1) or s. 560.205 (1), 2009 stats.

18 ***-1465/P4.607* *-1059/P3.359* SECTION 2030.** 71.28 (5b) (b) 2. of the statutes
19 is amended to read:

20 71.28 (5b) (b) 2. In the case of a partnership, limited liability company, or
21 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
22 shall be determined at the entity level rather than the claimant level and may be
23 allocated among the claimants who make investments in the manner set forth in the
24 entity's organizational documents. The entity shall provide to the department of
25 revenue and to the department of commerce or the Wisconsin Economic

1 Development Corporation the names and tax identification numbers of the
2 claimants, the amounts of the credits allocated to the claimants, and the
3 computation of the allocations.

4 ***-0167/P1.3* SECTION 2031.** 71.28 (5b) (d) 3. of the statutes is amended to
5 read:

6 71.28 (5b) (d) 3. For ~~calendar years beginning~~ investments made after
7 December 31, 2007, if an investment for which a claimant claims a credit under par.
8 (b) is held by the claimant for less than 3 years, the claimant shall pay to the
9 department, in the manner prescribed by the department, the amount of the credit
10 that the claimant received related to the investment.

11 ***-1465/P4.608* *-1059/P3.360* SECTION 2032.** 71.28 (5f) (a) 1. (intro.) of the
12 statutes is amended to read:

13 71.28 (5f) (a) 1. (intro.) "Accredited production" means a film, video, broadcast
14 advertisement, or television production, as approved by the department of commerce
15 or the department of tourism, for which the aggregate salary and wages included in
16 the cost of the production for the period ending 12 months after the month in which
17 the principal filming or taping of the production begins exceeds \$50,000. "Accredited
18 production" also means an electronic game, as approved by the department of
19 commerce or the department of tourism, for which the aggregate salary and wages
20 included in the cost of the production for the period ending 36 months after the month
21 in which the principal programming, filming, or taping of the production begins
22 exceeds \$100,000. "Accredited production" does not include any of the following,
23 regardless of the production costs:

24 ***-1465/P4.609* *-1059/P3.361* SECTION 2033.** 71.28 (5f) (a) 3. of the statutes
25 is amended to read:

1 71.28 (5f) (a) 3. "Production expenditures" means any expenditures that are
2 incurred in this state and directly used to produce an accredited production,
3 including expenditures for set construction and operation, wardrobes, make-up,
4 clothing accessories, photography, sound recording, sound synchronization, sound
5 mixing, lighting, editing, film processing, film transferring, special effects, visual
6 effects, renting or leasing facilities or equipment, renting or leasing motor vehicles,
7 food, lodging, and any other similar expenditure as determined by the department
8 of commerce or the department of tourism. "Production expenditures" do not include
9 salary, wages, or labor-related contract payments.

10 *-1465/P4.610* *-1059/P3.362* SECTION 2034. 71.28 (5f) (c) 6. of the statutes
11 is amended to read:

12 71.28 (5f) (c) 6. No credit may be allowed under this subsection unless the
13 claimant files an application with the department of commerce or the department of
14 tourism, at the time and in the manner prescribed by the department of commerce
15 or the department of tourism, and the department of commerce or the department
16 of tourism approves the application. The claimant shall submit a fee with the
17 application in an amount equal to 2 percent of the claimant's budgeted production
18 expenditures or to \$5,000, whichever is less. The claimant shall submit a copy of the
19 approved application with the claimant's return.

20 *-1465/P4.611* *-1059/P3.363* SECTION 2035. 71.28 (5h) (c) 4. of the statutes
21 is amended to read:

22 71.28 (5h) (c) 4. No claim may be allowed under this subsection unless the
23 department of commerce or the department of tourism certifies, in writing, that the
24 credits claimed under this subsection are for expenses related to establishing or

operating a film production company in this state and the claimant submits a copy of the certification with the claimant's return.

***-1465/P4.612* *-1059/P3.364* SECTION 2036.** 71.28 (5i) (c) 1. of the statutes is amended to read:

71.28 (5i) (c) 1. The maximum amount of the credits that may be claimed under this subsection and ss. 71.07 (5i) and 71.47 (5i) in a taxable year is \$10,000,000, as allocated under s. 238.14 or s. 560.204, 2009 stats.

***-1465/P4.613* *-1059/P3.365* SECTION 2037.** 71.28 (5j) (a) 2d. of the statutes is amended to read:

71.28 (5j) (a) 2d. "Diesel replacement renewable fuel" includes biodiesel and any other fuel derived from a renewable resource that meets all of the applicable requirements of the American Society for Testing and Materials for that fuel and that the department of commerce or the department of safety and professional services designates by rule as a diesel replacement renewable fuel.

***-1465/P4.614* *-1059/P3.366* SECTION 2038.** 71.28 (5j) (a) 2m. of the statutes is amended to read:

71.28 (5j) (a) 2m. "Gasoline replacement renewable fuel" includes ethanol and any other fuel derived from a renewable resource that meets all of the applicable requirements of the American Society for Testing and Materials for that fuel and that the department of commerce or the department of safety and professional services designates by rule as a gasoline replacement renewable fuel.

***-1465/P4.615* *-1059/P3.367* SECTION 2039.** 71.28 (5j) (c) 3. of the statutes is amended to read:

71.28 (5j) (c) 3. The department of commerce or the department of safety and professional services shall establish standards to adequately prevent, in the

1 distribution of conventional fuel to an end user, the inadvertent distribution of fuel
2 containing a higher percentage of renewable fuel than the maximum percentage
3 established by the federal environmental protection agency for use in
4 conventionally-fueled engines.

5 ***-1187/P5.392* SECTION 2040.** 71.28 (5r) (a) 6. a. of the statutes is amended
6 to read:

7 71.28 (5r) (a) 6. a. A University of Wisconsin System institution, the University
8 of Wisconsin-Madison, a technical college system institution, or a regionally
9 accredited 4-year nonprofit college or university having its regional headquarters
10 and principal place of business in this state.

11 ***-1260/P4.5* SECTION 2041.** 71.34 (1g) (um) of the statutes is amended to read:

12 71.34 (1g) (um) "Internal Revenue Code" for tax-option corporations, for
13 taxable years that begin after December 31, 2008, means the federal Internal
14 Revenue Code as amended to December 31, 2008, excluding sections 103, 104, and
15 110 of P.L. 102-227, sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
16 103-66, sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188,
17 sections 1, 3, 4, and 5 of P.L. 106-519, sections 162 and 165 of P.L. 106-554, P.L.
18 106-573, section 431 of P.L. 107-16, sections 101 and 301 (a) of P.L. 107-147, sections
19 106, 201, and 202 of P.L. 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316,
20 401, and 403 (a) of P.L. 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
21 847, 909, and 910 of P.L. 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323,
22 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L.
23 109-59, section 301 of P.L. 109-73, sections 101, 105, 201 (a) as it relates to section
24 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209,
25 503, and 513 of P.L. 109-222, ~~section 844 of P.L. 109-280~~, P.L. 109-432, P.L. 110-28,

1 P.L. 110-140, P.L. 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185,
2 P.L. 110-234, sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246, except section
3 15316 of P.L. 110-246, P.L. 110-289, P.L. 110-317, P.L. 110-343, except section 301
4 of division B and section 313 of division C of P.L. 110-343, and P.L. 110-351, and as
5 amended by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5,
6 section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, and
7 as indirectly affected in the provisions applicable to this subchapter by P.L. 99-514,
8 P.L. 100-203, P.L. 100-647, excluding sections 803 (d) (2) (B), 805 (d) (2), 812 (c) (2),
9 821 (b) (2), and 823 (c) (2) of P.L. 99-514 and section 1008 (g) (5) of P.L. 100-647, P.L.
10 101-73, P.L. 101-140, P.L. 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227,
11 excluding sections 103, 104, and 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L.
12 103-66, excluding sections 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L.
13 103-66, P.L. 103-296, P.L. 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188,
14 excluding sections 1123 (b), 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L.
15 104-191, P.L. 104-193, P.L. 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L.
16 105-277, P.L. 106-36, P.L. 106-170, P.L. 106-230, P.L. 106-554, excluding sections
17 162 and 165 of P.L. 106-554, P.L. 107-15, P.L. 107-16, excluding section 431 of P.L.
18 107-16, P.L. 107-22, P.L. 107-116, P.L. 107-134, P.L. 107-147, excluding sections
19 101 and 301 (a) of P.L. 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L.
20 107-358, P.L. 108-27, excluding sections 106, 201, and 202 of P.L. 108-27, P.L.
21 108-121, P.L. 108-173, excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L.
22 108-218, P.L. 108-311, excluding sections 306, 308, 316, 401, and 403 (a) of P.L.
23 108-311, P.L. 108-357, excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422,
24 847, 909, and 910 of P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L.
25 109-58, excluding sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,

SECTION 2041

1 1329, 1348, and 1351 of P.L. 109-58, P.L. 109-59, excluding section 11146 of P.L.
2 109-59, P.L. 109-73, excluding section 301 of P.L. 109-73, P.L. 109-135, excluding
3 sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e), (j), and
4 (q), and 405 of P.L. 109-135, P.L. 109-151, P.L. 109-222, excluding sections 101, 207,
5 209, 503, and 513 of P.L. 109-222, P.L. 109-227, P.L. 109-280, ~~excluding section 844~~
6 ~~of P.L. 109-280~~, P.L. 110-245, excluding sections 110, 113, and 301 of P.L. 110-245,
7 ~~and section 15316 of P.L. 110-246, section 301 of division B and section 313 of division~~
8 ~~C of P.L. 110-343, P.L. 110-458, sections 1401, 1402, 1521, 1522, and 1531 of division~~
9 ~~B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L.~~
10 ~~111-240~~, except that section 1366 (f) (relating to pass-through of items to
11 shareholders) is modified by substituting the tax under s. 71.35 for the taxes under
12 sections 1374 and 1375. The Internal Revenue Code applies for Wisconsin purposes
13 at the same time as for federal purposes. Amendments to the federal Internal
14 Revenue Code enacted after December 31, 2008, do not apply to this paragraph with
15 respect to taxable years beginning after December 31, 2008, except that changes to
16 the Internal Revenue Code made by sections 1401, 1402, 1521, 1522, and 1531 of
17 division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113
18 of P.L. 111-240, and changes that indirectly affect the provisions applicable to this
19 subchapter made by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L.
20 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240,
21 apply for Wisconsin purposes at the same time as for federal purposes.

22 ***-1260/P4.6* SECTION 2042.** 71.42 (2) (tm) of the statutes is amended to read:

23 71.42 (2) (tm) For taxable years that begin after December 31, 2008, "Internal
24 Revenue Code" means the federal Internal Revenue Code as amended to
25 December 31, 2008, excluding sections 103, 104, and 110 of P.L. 102-227, sections

1 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, sections 1123 (b),
2 1202 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, sections 1, 3, 4, and 5 of P.L.
3 106-519, sections 162 and 165 of P.L. 106-554, P.L. 106-573, section 431 of P.L.
4 107-16, sections 101 and 301 (a) of P.L. 107-147, sections 106, 201, and 202 of P.L.
5 108-27, section 1201 of P.L. 108-173, sections 306, 308, 316, 401, and 403 (a) of P.L.
6 108-311, sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of P.L.
7 108-357, P.L. 109-1, sections 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328,
8 1329, 1348, and 1351 of P.L. 109-58, section 11146 of P.L. 109-59, section 301 of P.L.
9 109-73, sections 101, 105, 201 (a) as it relates to section 1400S (a), 402 (e), 403 (e),
10 (j), and (q), and 405 of P.L. 109-135, sections 101, 207, 209, 503, and 513 of P.L.
11 109-222, ~~section 844 of P.L. 109-280~~, P.L. 109-432, P.L. 110-28, P.L. 110-140, P.L.
12 110-141, P.L. 110-142, P.L. 110-166, P.L. 110-172, P.L. 110-185, P.L. 110-234,
13 sections 110, 113, and 301 of P.L. 110-245, P.L. 110-246, except section 15316 of P.L.
14 110-246, P.L. 110-289, P.L. 110-317, P.L. 110-343, except section 301 of division B
15 and section 313 of division C of P.L. 110-343, and P.L. 110-351, and as amendeded by
16 sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5, section 301 of
17 P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, and as indirectly
18 affected by P.L. 99-514, P.L. 100-203, P.L. 100-647, P.L. 101-73, P.L. 101-140, P.L.
19 101-179, P.L. 101-239, P.L. 101-508, P.L. 102-227, excluding sections 103, 104, and
20 110 of P.L. 102-227, P.L. 102-318, P.L. 102-486, P.L. 103-66, excluding sections
21 13113, 13150 (d), 13171 (d), 13174, and 13203 (d) of P.L. 103-66, P.L. 103-296, P.L.
22 103-337, P.L. 103-465, P.L. 104-7, P.L. 104-188, excluding sections 1123 (b), 1202
23 (c), 1204 (f), 1311, and 1605 (d) of P.L. 104-188, P.L. 104-191, P.L. 104-193, P.L.
24 105-33, P.L. 105-34, P.L. 105-178, P.L. 105-206, P.L. 105-277, P.L. 106-36, P.L.
25 106-170, P.L. 106-230, P.L. 106-554, excluding sections 162 and 165 of P.L. 106-554,

SECTION 2042

1 P.L. 107-15, P.L. 107-16, excluding section 431 of P.L. 107-16, P.L. 107-22, P.L.
2 107-116, P.L. 107-134, P.L. 107-147, excluding sections 101 and 301 (a) of P.L.
3 107-147, P.L. 107-181, P.L. 107-210, P.L. 107-276, P.L. 107-358, P.L. 108-27,
4 excluding sections 106, 201, and 202 of P.L. 108-27, P.L. 108-121, P.L. 108-173,
5 excluding section 1201 of P.L. 108-173, P.L. 108-203, P.L. 108-218, P.L. 108-311,
6 excluding sections 306, 308, 316, 401, and 403 (a) of P.L. 108-311, P.L. 108-357,
7 excluding sections 101, 102, 201, 211, 242, 244, 336, 337, 422, 847, 909, and 910 of
8 P.L. 108-357, P.L. 108-375, P.L. 108-476, P.L. 109-7, P.L. 109-58, excluding sections
9 1305, 1308, 1309, 1310, 1323, 1324, 1325, 1326, 1328, 1329, 1348, and 1351 of P.L.
10 109-58, P.L. 109-59, excluding section 11146 of P.L. 109-59, P.L. 109-73, excluding
11 section 301 of P.L. 109-73, P.L. 109-135, excluding sections 101, 105, 201 (a) as it
12 relates to section 1400S (a), 402 (e), 403 (e), (j), and (q), and 405 of P.L. 109-135, P.L.
13 109-151, P.L. 109-222, excluding sections 101, 207, 209, 503, and 513 of P.L.
14 109-222, P.L. 109-227, P.L. 109-280, ~~excluding section 844 of P.L. 109-280~~, P.L.
15 110-245, excluding sections 110, 113, and 301 of P.L. 110-245, and section 15316 of
16 P.L. 110-246, section 301 of division B and section 313 of division C of P.L. 110-343,
17 P.L. 110-458, sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5,
18 section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, except
19 that "Internal Revenue Code" does not include section 847 of the federal Internal
20 Revenue Code. The Internal Revenue Code applies for Wisconsin purposes at the
21 same time as for federal purposes. Amendments to the federal Internal Revenue
22 Code enacted after December 31, 2008, do not apply to this paragraph with respect
23 to taxable years beginning after December 31, 2008, except that changes to the
24 Internal Revenue Code made sections 1401, 1402, 1521, 1522, and 1531 of division
25 B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L.

111-240, and changes that indirectly affect the provisions applicable to this subchapter made by sections 1401, 1402, 1521, 1522, and 1531 of division B of P.L. 111-5, section 301 of P.L. 111-147, and sections 2111, 2112, and 2113 of P.L. 111-240, apply for Wisconsin purposes at the same time as for federal purposes.

***-0687/P1.3* SECTION 2043.** 71.45 (1t) (L) of the statutes is created to read:

71.45 (1t) (L) Those issued under s. 231.03 (6), if the bonds or notes are issued to a person who is eligible to receive bonds or notes from another issuer for the same purpose for which the person is issued bonds or notes under s. 231.03 (6) and the interest income received from the other bonds or notes is exempt from taxation under this subchapter.

***-1465/P4.616* *-1059/P3.368* SECTION 2044.** 71.47 (1dd) (b) of the statutes

is amended to read:

71.47 (1dd) (b) Except as provided in s. 73.03 (35), for any taxable year for which that person is certified under s. 560.765 (3), 2009 stats., and begins business operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified or entitled a person may credit against taxes otherwise due under this subchapter employment-related day care expenses, up to \$1,200 for each qualifying individual.

***-1465/P4.617* *-1059/P3.369* SECTION 2045.** 71.47 (1de) (a) (intro.) of the statutes is amended to read:

71.47 (1de) (a) (intro.) Except as provided in s. 73.03 (35), for any taxable year for which a person is certified under s. 560.765 (3), 2009 stats., and begins business operations in a zone under s. 560.71, 2009 stats., after July 29, 1995, or certified under s. 560.797 (4) (a), 2009 stats., for each zone for which the person is certified or entitled the person may claim as a credit against taxes otherwise due under this

SECTION 2045

1 subchapter an amount equal to 7.5% of the amount that the person expends to
2 remove or contain environmental pollution, as defined in s. 299.01 (4), in the zone or
3 to restore soil or groundwater that is affected by environmental pollution, as defined
4 in s. 299.01 (4), in the zone if the person fulfills all of the following requirements:

5 ***-1465/P4.618* *-1059/P3.370* SECTION 2046.** 71.47 (1de) (a) 1. of the
6 statutes is amended to read:

7 71.47 (1de) (a) 1. Begins the work, other than planning and investigating, for
8 which the credit is claimed after the area that includes the site where the work is
9 done is designated a development zone under s. 560.71, 2009 stats., or an enterprise
10 development zone under s. 560.797, 2009 stats., and after the claimant is certified
11 under s. 560.765 (3), 2009 stats., or certified under s. 560.797 (4) (a), 2009 stats.

12 ***-1465/P4.619* *-1059/P3.371* SECTION 2047.** 71.47 (1di) (a) (intro.) of the
13 statutes is amended to read:

14 71.47 (1di) (a) (intro.) Except as provided in pars. (dm) and (f) and s. 73.03 (35),
15 for any taxable year for which the person is entitled under s. 560.795 (3), 2009 stats.,
16 to claim tax benefits, any person may claim as a credit against taxes otherwise due
17 under this chapter 2.5% of the purchase price of depreciable, tangible personal
18 property, or 1.75% of the purchase price of depreciable, tangible personal property
19 that is expensed under section 179 of the internal revenue code for purposes of the
20 taxes under this chapter, except that:

21 ***-1465/P4.620* *-1059/P3.372* SECTION 2048.** 71.47 (1di) (a) 1. of the
22 statutes is amended to read:

23 71.47 (1di) (a) 1. The investment must be in property that is purchased after
24 the person is entitled under s. 560.795 (3), 2009 stats., to claim tax benefits and that
25 is used for at least 50% of its use in the conduct of the person's business operations